

Amendment No. 3 to HB2037

Sargent
Signature of Sponsor

AMEND Senate Bill No. 2079*

House Bill No. 2037

by deleting the second sentence in Section 9-3-504(b) in SECTION 3 of the bill and replacing it with the following:

Such funding policy shall be legally adopted and approved through a resolution by the political subdivision's chief legislative body or governing body.

AND FURTHER AMEND by deleting the language in Section 9-3-506 in SECTION 3 of the bill and replacing it instead with the following:

(a) The following provisions shall apply to all political subdivisions subject to this act:

(1) For political subdivision employees hired on or after the effective date of this act, the political subdivision may freeze, suspend or modify benefits, employee contributions, plan terms and design on a prospective basis. The provision in the foregoing sentence does not affect any judicial precedents or statutory law as they apply to employees who were employed prior to the effective date of this act; and

(2) For any pension plan that is funded below sixty percent (60%), the political subdivision shall not establish benefits enhancements unless approved by the state treasurer.

(b) The accrued benefits earned prior to any adjustment pursuant to subsection (a)(1) above shall remain an enforceable right and may not be reduced without the written consent of the political subdivision employee, unless the employee is subject to the forfeiture of the employee's retirement benefits in accordance with § 8-35-124.

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(c) Notwithstanding any other provision of law, for political subdivision employees hired on or after the effective date of this act, nothing under state law confers to participants in the pension plan an implied right to future retirement benefit arrangements, and such participants may not assert the indefinite continuation of the retirement formulas, contribution rates, eligibility ages, or any other provision of the pension plan. The provision in the foregoing sentence does not affect any judicial precedents or statutory law as they apply to employees who were employed prior to the effective date of this act.